

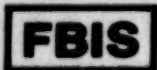
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Vietnam Report

No. 2176

Le Thanh Nghi Report to National Assembly



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LE THANH NGHI REPORT TO NATIONAL ASSEMBLY

Hanoi NHAN DAN in Vietnamese 25, 26 Dec 79

[SRV Government report read by Vice Premier Le **Thanh Nghi** at the Sixth National Assembly meeting -- passages in slantlines printed in boldface]

[25 Dec 79 pp 2, 3 BK]

[Text] /Dear Presidium members, dear deputies:/

On behalf of the Council of Ministers, I would like to report to the National Assembly on the "Present economic situation and the tasks of the 1980 state plan." The report includes three parts:

- I. Observations on the present economic situation of our country.
- II. Guidelines, tasks and objectives of the 1980 state plan.
- III. To improve the planning and managerial work and step up the tasks of organizing and leading the implementation of state policies.

/Part One/

/Observations on the Present Economic Situation of Our Country/

/Dear deputies:/

After completing the reunification of the country on the state plane, with the glorious successes of the National Assembly election to unify the entire country, and in the light of the Fourth VCP Congress resolution, our people have in recent years developed their right to collective mastery, enthusiastically stepped up production, endeavored to heal the wounds of war, developed the economy and culture, consolidated national defense and accelerated the socialist transformation of the south, the improvement of

socialist production relations in the north and socialist construction throughout the country. Particularly, the year of 1979 was marked by important events. In national construction and defense, our people have once again upheld revolutionary heroism, enhanced the superiority of the socialist regime and scored great achievements.

Implementing their long-concocted scheme of big-nation expansionism and hegemony, the Chinese reactionaries waged two aggressive wars against our country at the southwestern and northern borders. Within a short period of time, our people successively defeated these two aggressive wars and, at the same time, fulfilled their international obligations to the Kampuchean and Lao revolutions, creating a strong position and force and considerably contributing to the victory of the three revolutionary currents in the world. We are also prepared to defeat a new aggressive war should ever the enemy recklessly encroach on our country.

Our people's justice-radiating fight against the Chinese expansionists and hegemonists from the very outset promptly aroused a broad international movement of solidarity with and support for Vietnam. Especially the Soviet Union and other fraternal socialist countries have reserved for our people great, timely and effective support and assistance, both moral and material, creating favorable conditions for our people to defeat the aggressors.

Unable to subdue our people by force, the Chinese reactionaries have colluded with the U.S. imperialists and other international reactionaries, resorting to distorting and slanderous plots to undermine the SRV's prestige in the international arena and to conduct acts of sabotage and economic sanction against our country. However, these perfidious tricks and cruel plots have exposed their true face. The communist parties and workers of nationalistic countries, the international organizations, conscientious people and progressive mankind as a whole have sided with and given our people much love and confidence. From the conference of the AAPSO presidium to the nonaligned summit conference in Havana, the IOJ conference and other international conferences--even at UN headquarters--everywhere resound voices sympathizing with and supporting Vietnam and severely condemning the sinister and odious tricks of the Chinese hegemonists who are colluding with the U.S. imperialists and international reactionaries. The shining just cause will forever remain with the Vietnamese people who are struggling and winning.

On the economic front, our people throughout the country have fulfilled the 1979 state plan in particularly difficult conditions:

--For the 2 successive years of 1977 and 1978, agriculture was struck by serious natural disasters which caused the loss of about 3 million tons of food and resulted in the implementation of plans by other economic sectors falling short of the norms.

--In their aggressive war early this year, the Chinese reactionaries destroyed many villages and economic and cultural establishments in the northern border provinces. They also colluded with the imperialists in feverishly carrying out their scheme of economic sabotage and blockade against our country.

--Our economy, freshly emerging from a long war and faced with a serious imbalance, met with many big difficulties in 1979 due to natural disasters and enemy destruction.

In such extremely difficult circumstances, under the clear-sighted leadership of the VCP and encouraged by our great victories on the political, military and diplomatic fronts, our people throughout the country, upholding their revolutionary zeal, have promoted the emulation movement for productive labor and implemented the general mobilization order of the state to rapidly strengthen our national defense forces and score considerable economic achievements. In production and combat, many examples of courage and creativity have appeared and many new factors are developing.

The most striking fact is that all our people, troops, sectors and echelons throughout the country have concentrated their efforts on boosting agricultural production, especially food production which in 1979 increased by 8 percent over 1978. The production of subsidiary food crops has continued to develop with a yield 2.2 times that of 1975. Among the general efforts of all localities, such provinces as Quang Nam-Da Nang, Thuan Hai, Song Be, Tay Ninh and An Giang have emerged as the best for their high rates of food production development. Production has rapidly been restored in the Nam Bo and former fourth zone provinces struck by floods in 1978 and in the northern border provinces ravaged by the Chinese aggressors. Many of these provinces have recorded bumper rice crops. The winter crop production in the Bac Bo plains and Central Highlands has increased noticeably with an increase of 55 percent in potato area and 12 percent in sweet potato area over last year.

Although the provinces in the Bac Bo plains and Central Highlands lost their 10th-month crop in 1978 and reaped a poor harvest of this year's 5th-month spring crop, their purchase and collection of grain was relatively good.

Livestock breeding developed in cooperatives as well as in co-op members' families. The herd of pigs was up 5.8 percent over 1978.

Despite many difficulties in industrial production which were caused by shortages of raw materials, spare parts and fuel, workers and cadres in many production installations have upheld their self-reliant spirit, introduced innovations, improved techniques, manufactured equipment and spare parts, developed the capacity of raw materials and existing means,

fully used scrap and discarded materials and used substitutes to develop production and reduce the import requirements. The output of a number of products continued to increase over 1978 such as electricity, rolled steel, chromite ore, diesel motors, transformers, machine tool parts, vehicle and tractor parts, work tools, insecticide sprayers, processed tea, cotton yarn, knitwear, electric bulbs and thermos flasks. With the newly promulgated policy of encouraging production, small industry and handicrafts have further developed. The quantity of such consumer goods as helmets, conical palm-leaf hats, wooden sandals and porcelainware has increased considerably.

The communications and transportation sector has made efforts to meet the needs of national defense and the economic rehabilitation of the northern border provinces, and to aid friendly Kampuchea and Laos. The receipt and transportation of import goods is being improved and has begun to make headway in some respects.

In capital construction, we are accelerating the tempo of building the Go Dam diesel engine factory, the Bim Son and Hoang Thach cement plants, the Cao Son and Mong Duong coal mines, the Bai Bang paper mill, the Dong Nam and Thang Loi spinning mills, the enlarged Haiphong port, the Liet Son, Phu Ninh and Yen Lap water reservoirs, etc. The building of 64 state-run projects including such important ones as the Huu Nghi and Quyet Thang coal mines, the Cua Ong coal sorting plant, the medical equipment repair factory in Hanoi, the enlarged Van Dien phosphate fertilizer plant, the Giap Lai pyrite mine, the Vien Dong and Thu Duc paper mills, the Thai Binh jute spinning plant, the Hanoi gynecological hospital, etc., was completed in 1979. Construction of a number of factories producing thread, porcelainware, paper pulp, wooden articles, etc., in provinces and cities has been completed.

Together with the activities of the mass organizations, the information, propaganda, cultural and artistic services have made efforts in meeting the need to disseminate the line and policies of the party and the state, countering the slanderous allegations made by the Chinese expansionists and international reactionaries, and bringing into play the revolutionary spirit and national pride of our people and armed forces in production and fighting as well as in combat support activities and in the maintenance of combat readiness.

General and supplementary education has continued to develop. Especially the network of kindergartens has expanded. The training of technical and specialized cadres and technical workers has been intensified. In 1979, there were 1.45 million children in kindergartens, 8 percent more than in 1978; and 11.7 million pupils in general schools, an increase of 5 percent at level II schools, 7 percent at level III schools, and 14 percent at supplementary education schools....

Medical, sanitary and prophylactic work has been stepped up, actively contributing to the protection of the people's health and providing support for combat activities. The emulation movement for completing the building of sanitation and prophylactic projects in 1979, improving health care, birth control, growing medicinal plants and strengthening organizations widely expanded in all localities. More than 1,860 villages and 35 districts are providing themselves with most of the medicines for common diseases.

Child care and education has developed further with each passing day. The number of creches increased by 5.7 percent; that of creche children, 13 percent; and that of babysitters, 15.6 percent over 1978.

The sports and physical education movement is developing widely.

War invalid and social welfare work has made substantial progress.

Initial progress has been made in economic organization, guidance and management. In 1979, the Council of Ministers continued the unification of law in the entire country and promulgated regulations on the development of the right to collective mastery among workers and civil servants in production establishments and on the implementation of the four systems (the system of responsibility, the system of discipline, the system of serving the people and the system of protecting public property) by workers and civil servants in state organs. Later, the Council of Ministers promulgated the policy of encouraging exports, the system of increasing wages, and the system of granting allowances to workers and civil servants. It also promulgated policies on encouraging production and distribution according to the spirit of the resolution of the sixth party Central Committee plenum--such as encouraging peasants to make full use of arable land, to raise livestock, to produce consumer goods and to make full use of scrap and discarded materials and raw materials not under unified state management. It promulgated policies on abolishing the prohibition of and indiscriminate check on the circulation of goods, and policies on expanding state-run trade activities. These policies and systems have been instrumental in stimulating production and developing trade and have created a new vitality in economic activities.

Above are achievements and successes recorded in carrying out the 1979 state plan. They are not very big, but the efforts made by our people in the 4 years since the total liberation of South Vietnam and the complete reunification of our country in 1975 have given our economy a new impulse.

In agriculture, compared with 1975, there has been an increase of 1.1 million hectares of crop fields (including 600,000 hectares of reclaimed land), and 1.5 million hectares of cultivable land, 19.5 percent in food output, 370,000 hectares of irrigated land, 11,000 big tractors and

combine harvesters, 8,800 small tractors, 9,000 mechanical pumps, and 128 state farms.

The forestry sector has grown 500,000 hectares of forests, and built 1,810 km of roads for lumber transportation. It has been equipped with an additional 1,830 trucks and machines.

The sea products industry has been equipped with 4,000 more ships and motorboats with an aggregate strength of 120,000 hp, 4,300 tons of fishing nets and 27 new refrigeration establishments.

In industry, in the past 4 years, electricity output has increased by half; rolling iron, threefold; engineering goods 60 percent; timber, 33 percent; cement, 36 percent; paper, 30 percent; glassware, 50 percent; processed tea, 67 percent; porcelainware, 80 percent; and sugar, 2.2-fold. We have recorded an increase of 120,000 kilowatts of electricity, 2.7 million tons of coal, 540,000 tons of cement, 1.4 billion bricks, 14,000 tons of cotton and silk yarn, 70 million meters of textile fabrics, 10,000 tons of paper, and 50 million porcelain articles. The number of machines to produce metallic articles to state orders in the engineering industry increased 29 percent.

The communications and transport service has restored 1,410 kilometers of railways, 15,000 meters of railway bridges, and 16,000 meters of roads, built 7,600 meters of bridges, 3,800 meters of wharves, 3,500 kilometers of roads, 350,000 cubic meters of stores and warehouses, 116,000 tons of seagoing ships, 173,000 tons of barges, 1,365 carriages and 5,200 lorries.

In the transformation of the relations of production, in the south, the comprador capitalist class and capitalist trade have been abolished, private capitalist industry has been transformed, and part of the handicraft workers have engaged in collective work; 31 percent of the peasant households in the Mekong River delta and almost all peasant households in the plains and upland provinces of central Vietnam have joined production collectives and agricultural cooperatives.

Only by appraising the enormous difficulties facing our country over the past 4 years can we correctly value the great significance of the achievements our people have recorded in economic rehabilitation and development, in national defense, in stabilizing their lives, developing culture, education, and public health work, and in initially building the material and technical basis of socialism.

These achievements clearly show that our people have made extraordinary efforts and that our regime has a great strength.

The Council of Ministers recommends that the National Assembly warmly commend the compatriots of all nationalities in the entire country, the working class, the peasantry, other strata of working people, combatants

of the people's armed forces, cadres of all sectors and echelons, scientific and technical cadres, and so forth who have upheld the "Nothing is more precious than independence and freedom" spirit, have actively responded to the VCP Central Committee's appeal and the state's general mobilization order, have overcome countless difficulties and ordeals, have strived to fulfill all tasks and have won glorious victories in building socialism and defending the fatherland.

We heartily commend cadres and combatants of the military and security forces, militia and self-defense combatants and the compatriots of various nationalities in the northern and southwestern provinces, who have upheld revolutionary heroism and have been valiant, stalwart and resourceful in combat and combat-support activities against the Chinese aggressors. They have won glorious exploits in defending every inch of territory of the Vietnamese fatherland.

We heartily greet our army which, over the past 35 years, has relentlessly fought, grown strong and scored glorious feats of arms in liberating the nation and defending the fatherland and in its noble international obligation.

We heartily praise our overseas compatriots for their love of the country and people and for their active material contributions to the cause of building and defending the fatherland. They have actively contributed to the struggle against the Chinese expansionists.

With profound sentiments, we express our heartfelt gratitude to the Communist Party, the government and the people of the Soviet Union and the other fraternal socialist countries for their timely and effective moral and material support and assistance to our fight against the Chinese expansionists' acts of aggression and sabotage, and for their fruitful assistance to our economic rehabilitation and development and cultural development.

We express our heartfelt gratitude to the communist and workers parties, the governments and peoples of various countries and the international organizations for their sympathy with, and support and assistance to our justice-radiating struggle, and for their condemnations of the Beijing gang of rulers' schemes and acts of sabotage, and their war of aggression against the Socialist Republic of Vietnam, the Lao People's Democratic Republic and the People's Republic of Kampuchea.

/Dear comrade deputies,/

We vouch for the achievements and progress brought about by the efforts of our people throughout the country over the past year. We must admit, however, that these achievements and progress are below the requirements of the tasks under the 1979 state plan adopted by the fourth session of the Sixth National Assembly.

/1. Many sectors and localities have fallen short of the 1979 state plan targets./

Grain production increased by 8 percent over the previous year, but the collection and purchase of grain fell short of the targets. The amount of grain collected and purchase in the Mekong River delta provinces was smaller than the preceding years, despite a bumper winter-spring harvest.

The value of industrial crop output was 22 percent below the targets and only 20 to 45 percent of the plan for the collection and purchase of a number of agricultural products such as tobacco, coconut oil, soybeans, peanuts, etc. was fulfilled, causing a serious shortage of raw materials for factories and a shortfall in the export of agricultural products.

The newly opened land area, the number of laborers going to build new economic zones, the area afforested and the harvesting of saltwater fish all fell short of the plan targets and compared unfavorably with 1978.

The production of many important industrial products such as coal, cement, fertilizers, Bong Sen tractors, tractor-towed farm machinery, fishing boats, motorboats, barges, towboats, tugboats, bricks, tiles, etc. failed to achieve the targets. Less than 80 percent of the plan for the production of articles from locally available raw materials, such as monosodium glutamate, sugar, tobacco, paper, porcelainware, rush mats, detergents, etc. was fulfilled.

The plan for capital construction investment was fulfilled by 85 percent and that for construction and installation investment by 84 percent. Construction of many important agricultural, industrial, communications and transportation, storage and housing projects fell short of the targets.

There was no tangible change in circulation and distribution work. The amount of agricultural products and foodstuffs collected and purchased was smaller than in 1978. The policy of two-way contracts between the state and peasants and fishermen was not widely implemented. The organization of goods distribution revealed many shortcomings and was ineffective. The value of exports fell short of the plan norm. The financial, credit, monetary and pricing activities failed to exert a positive impact on production, circulation and distribution.

/2. The effectiveness of economic management is still low./

The social labor force is ample, but has not been put to good use. The effectiveness of economic management is slow, chiefly because of the failure to attach due importance to the problem of labor management, organization and increasing productivity. The size of administrative

staffs remain unwieldy. In the production and business sectors and installations, the number of persons not directly engaged in production is still large. The rapid increase of the number of nonagricultural persons, who account for a large percentage of the population, has caused great difficulties for the national economy at a time when production development is slow.

The national resources have not been satisfactorily tapped. Many localities and installations have not acquired an accurate knowledge of their own resources and land; especially, they have not formulated plans and worked out measures to make good use of intensive cultivation in their arable land currently available. Worse still, some localities and installations have allowed productivity and volume of production to drop for a few years in succession. On the other hand, the cultivated area has not been actively expanded through the opening of new land and multi-cropping. About 70 percent of the newly opened land has been recently put to use, most of which has not been turned into fully developed rice-fields; worse still, in some places newly opened land has been allowed to lie fallow again. The yields of crops grown on newly opened land are still low. The state farms have put to use about only one-fourth of the planned acreage. The present rubber- and coffee-growing areas in the south would have yielded a greater volume of production had they been efficiently harvested. Even in the Bac Bo lowland and midland provinces, tens of thousands of hectares of arable land are still allowed to lie fallow. A large number of tree nurseries and animal farms has been built but has not been fully exploited. Water conservancy projects are operating at only 70 percent of their capacity.

The equipment, machinery and means of transportation in the various sectors, localities and installations have not been efficiently used.

Economic-technical management and the management of supplies, equipment and commodities are still lax, causing widespread inefficiency in the use of machinery and equipment, excessive consumption of supplies and the leakage of goods to the unorganized market.

Such a situation is due to many objective and subjective reasons.

First of all, our economy is, generally speaking, based on small production. Moreover, it suffers from the heavy consequences of more than 30 years of war and neocolonialism in the south.

Over the past 30 years, while our tilled acreage did not expand significantly, our population more than doubled, giving rise to many difficulties in life and production, especially in the food problem.

The U.S. war of aggression and neocolonialist domination in the south rendered our economy heavily dependent on the outside. Such a dependence cannot be solved overnight even after the liberation and reunification of our country.

In 1977 and 1978, our agriculture suffered a big loss because of serious natural disasters rarely seen in history. As almost half of our national income is based on agriculture, the losses caused by natural disasters to four consecutive crops inevitably created great difficulties to our national economy, upsetting the balance between various main sectors.

/3. The Chinese expansionists' traitorous, hostile and destructive acts and their aggressive war/ at our southwestern and northern borders caused enormous losses to our people. Hundreds of thousands of hectares of arable land in these areas were laid to waste. Chinese aggressor troops brutally and vilely destroyed and looted economic, medical, cultural and educational establishments and people's houses and property in our northern border provinces.

The above three objective factors have had a direct effect on the economy and the people's lives in 1979. We should correctly evaluate our objective difficulties including those difficulties which need several years to be overcome. But to solve these difficulties and to improve the economic situation, our subjective efforts will in turn constitute decisive factors. In this regard, in the past few years, we have made a lot of efforts and have obtained certain achievements. However, there still exist many shortcomings:

--As a result of impractical evaluation and exploitation of the economic situation and potentials and a failure to foresee all the adverse effects of natural calamities and the enemy-waged war, we still have a number of policies and plans not suitable for the current economic conditions. We have not yet identified all the problems which need to be solved and we have also not taken any concrete and uniform measures to solve these problems. That is why a number of our planned norms have not been met. The formulation of plans tends not to be comprehensive and too general and it lacks concentration, completeness, balance and uniformity. In the formulation of collective plans or the plans for each sector, locality and organization, we have not yet fully demonstrated a sense of self-reliance and have not vigorously developed feasible international cooperation in order to solve urgent problems of the national economy.

--Our management policies and systems still include many areas in which we cannot correctly apply the economic law of socialism to suit the specific conditions of our country in the initial stage of its transitional period. Especially, our policies on circulation, distribution, collection, purchase, pricing, wage scales, cash rewards and so forth have been slowly supplemented and readjusted and therefore have been unable to develop in their roles as economic levers. Our policies on the distribution of income among agricultural cooperatives smack of egalitarianism. Because of a lack of democratic management and because of corruption and exploitation by bad elements, these policies have had a negative effect on production.

A number of policies and economic management systems are still rigid and are therefore not instrumental in promoting increased production. Furthermore, there also exists a state of loose management which has led to manifestations of negativism in economic activities.

The system of economic management, of relying on the administrative assistance of higher echelons which has prevailed for several years has caused an inertia inducing all sectors, localities and production installations to pay little mind to economic results and labor productivity and to be irresponsible in the management of production and business operations and the use of state assets.

A too slow improvement in the managerial apparatus of various sectors and production and business installations as well as in the machinery of administrative and economic management, has impeded the development of production. Concerning the relations between various sectors and echelons and between the central and local economies, since the assignment of work and responsibilities has not been clearly made, particularism, compartmentalism and parochialism still prevail and as a result the existing potentials cannot be developed.

All sectors and echelons still fail to specifically, strictly and promptly carry out the tasks of organizing and guiding the implementation of plans and still prove to be lacking a sense of responsibility. The managerial agencies of various economic and technical sectors have not adequately fulfilled their functions and duties. The tasks of control, inspection and supervision are still loose. Cases of law violations have not been quickly detected and dealt with. Irresponsible and undisciplined cadres who have incorrectly implemented the state and party lines and policies are not severely punished. Especially those who have stolen and maintained connections to steal the socialist assets, and who have oppressed the people, are not promptly denounced and punished.

The Council of Ministers and every sector, echelon and unit should conduct severe self-criticism, take action to correct the aforementioned shortcomings and quickly improve the tasks of organizing and guiding the implementation of plans so as to promote vigorous change in the economic situation.

/Part Two/

/Tasks of the 1980 State Plan/

/Dear comrade deputies,/

The year 1980 is the last year of the Second Five-Year (1976-1980) Plan.

In the recent years, because of the hostile and aggressive policy of the Chinese expansionists and hegemonists against our country, we had to

change the orientation of our national economic plan. Besides the two basic and pressing tasks of the Second Five-Year Plan, namely /to promote production, and to meet the people's basic needs and take a further step in building the material and technical bases of socialism/, our people have to face a do-or-die strategic task for our country, that is, /to strengthen national defense and security, and to defend our homeland/.

These three strategic tasks have great and urgent requirements which our people must fulfill at the same time. These tasks are closely inter-related, with the fulfillment of each being the guarantee for the success of the others, and with the use of manpower and material resources for one task inevitably limiting the manpower and material resources available for the remainder.

Under the state plans for 1980 and the subsequent years, we have to carry out these tasks at a time when the imbalance in some sectors of our economy, far from being overcome, has become even more serious. We will have to make extraordinary efforts and apply strong and well-coordinated measures if the urgent requirements of production and daily life are to be met.

We enjoy basically favorable political conditions and have ample economic potentials which must be put to good account so as to overcome difficulties and meet the urgent requirements of our three strategic tasks.

In all sectors, all localities, all installations and all stages of the reproduction process, there exist many economic potentials which are still unexploited, especially in terms of manpower, land, equipment and the material and technical bases built over the past years. Our supplies, commodities and capital, though limited, can nevertheless provide the economy with a substantial reserve of resources which can be used to reduce the difficulties and partly overcome the imbalance in the various sectors, if they are strictly managed and used in a concentrated manner and for the right purposes, and if waste, theft and sloppy work are put under control.

The resolution of the sixth plenum of the party Central Committee and new changes in our economic policy and management system are helping to clear the obstacles, providing incentive and creating favorable conditions for the development of production. The positive effects exerted by the various new policies promulgated by the Council of Ministers during the last year of 1979 is a truly new factor which should be continuously developed so as to create a new impetus for the movement of productive labor and economization.

The economic aid and cooperation given to our country by the Soviet Union and other CEMA member socialist states are undergoing new development, creating new favorable conditions for the development of our national economy.

In the face of the present situation, while continuing to carry out the basic tasks of the revolution in our country, our entire party, people and army must concentrate their efforts on implementing the three urgent tasks set by the sixth plenum of the VCP Central Committee, namely:

--Highly motivate and organize the entire people and army /to actively promote agricultural production, forestry and fishery, develop the production of consumer goods and build a number of key heavy industrial installations/ closely related to the development of these sectors in order to, first of all, steadily meet the needs of the people for grain and foodstuffs and common consumer goods, quickly increase export commodities, and /stabilize the people's life and meet their basic needs./

--/Constantly take the initiative and stand combat ready to smash all attacks by foreign aggressors and firmly defend the fatherland/; intensify the efforts to maintain political security, public order and social safety.

--/Launch a seething, continuous revolutionary mass movement/ for stepping up production, practicing thrift, caring for the people's livelihood and developing positive factors while /resolutely overcoming negative aspects of the society./

The state plan for 1980 and those for the subsequent years must provide for the structuring and development of the national economy so as to fulfill these urgent tasks at all costs and, at the same time, to gradually stabilize the economic situation and satisfactorily prepare for stronger and steadier development in the subsequent years.

Proceeding from the actual conditions of our economy, we must formulate the state plan for 1980 /in a highly positive and revolutionary offensive spirit while insuring its scientific character, its practicality, its balance and its soundness/. Our targets must be consistent with the actual capabilities of our economy and /our efforts must be resolutely concentrated in a well coordinated manner on key targets, first of all on the production of grain, foodstuffs and export and consumer goods./

We must highly develop the /spirit of self-reliance/ and overcome the idea of dependence of the outside and the upper echelons; actively /exploit all potentials/ in the country, in the localities and in each production installation; /absolutely practice thrift; attach importance to economic returns; and increase labor productivity/. In our plans we must /closely combine the targets of our efforts with the measures and organizational work to fulfill them. We must increase the effectiveness of our plans and, at the same time, make good use of market relations and implement policies providing incentive for the development of production/ so as to meet the needs of society in a more satisfactory manner.

In order to fully implement these guiding concepts, the 1980 state plan must insure the satisfactory fulfillment of the following important economic tasks:

/1. We must really concentrate on agriculture/, first of all, on stepping up the production of grain, raw materials for industry and agricultural products for export. On the basis of strongly developing the effect of the newly promulgated policies, we must make the fullest use of our capabilities in terms of manpower and land and the existing material and technical facilities to satisfactorily exploit our potentials in intensive cultivation, multicropping and the opening of virgin land for the purpose of expanding the cultivated area. Investments in agriculture and water conservancy must be concentrated on those projects which promise early returns. Investment must also be concentrated on the construction of industrial installations supporting agriculture in order to promptly meet the urgent needs of agricultural production. It is the duty of all sectors to support agriculture by giving it top priority. Every effort must be made to improve the organization and management of cooperatives and agricultural production collectives along with stepping up the building of districts and strengthening the district level so as to bring about a drastic change on the front of agricultural production.

/2. We must make the greatest possible efforts to quickly increase exports/, especially agricultural, forestry and marine products and goods produced on contract for foreign countries. We must invest in the production of export goods on a priority basis, improve and strengthen export organizations and implement a system which will provide incentive for and stimulate sectors, localities and installations to step up export in order to pay for their own necessary imports.

3. In 1980 and the subsequent years, /we must set, for capital construction, targets and a construction tempo which are consistent with our capabilities/ in terms of capital and construction materials. This is aimed at /fully implementing the line of giving priority to the rational development of heavy industry on the basis of developing agriculture and light industry/. We must concentrate our efforts on definitely completing half-finished key construction projects, resolutely cease construction work on those projects still proving unprofitable and for which raw materials necessary for production activities cannot be insured, and temporarily postpone those projects which we are not in a condition to begin now. We must also improve the maintenance of the equipment not yet assembled and installed.

/4. We must formulate industrial production plans in a positive and active manner/, making them consistent with the availability of supplies and our capability to tap domestic sources of raw materials. We must promote the development of the sectors which produce raw materials, supplies and spare parts (such as coal, timber, cement, fertilizers,

engineering and other products), which make use of locally produced raw materials, which produce export commodities and which cater to the most urgent needs of the people in their daily life. We must make efforts to insure a sufficient supply of power for production and construction work. We must do our best to make fuller use of the capacity of factories producing consumer goods and to provide incentive and create favorable conditions for artisan industry and handicrafts to develop, thereby meeting the people's needs for highly diversified consumer goods. We must take the initiative in revising the production and manpower plans of those industrial installations which fail to achieve a balance between the provision and consumption of supplies.

/5. We must bring about a radical change in the collection and purchase of goods and placing them under state control/ through the implementation of the policy of fixed obligations closely coordinated with the implementation of two-way contracts. At the same time, we must increase the supply of goods to the state by collecting and purchasing commodities over and above the plan quota and at agreed upon prices. We must reorganize the trade system by strengthening the district level and concentrating in the districts all the principal organs in charge of collecting and purchasing agricultural products and procuring supplies and goods so as to insure the satisfactory implementation of two-way economic contracts between the state and the peasants. We must tighten the management of supplies and commodities and resolutely check and punish corruption, embezzlement of socialist property, speculative hoarding and dishonest business practices.

/6. We must continue to strengthen our material and technical bases in a selective manner along with improving the management organizations of the communications and transportation sector/. We must strongly shift to using animal-drawn vehicles and sailboats in short-distance transportation services, rural transportation services, and even long-distance transportation services for the shipment of certain kinds of supplies and merchandise. We must resolutely cut down on the consumption of oil and gasoline, especially in nonproductive sectors.

7. /Mobilize, organize and satisfactorily use the work force in each primary production installation, each locality and each sector; rationally adjust the division of labor among various zones; positively use the surplus work force of the state domain and,/ at the same time, continue to amend various policies to /encourage workers and peasants to enthusiastically engage in production by organizing the campaign to increase labor productivity/ into a broad movement among all sectors, localities, primary production installations and people.

8. /Improve the policies and tasks of managing finance, currency, credits, prices and wages;/ further adjust the distribution and redistribution of national income and insure the stabilization of budgetary and cash receipts and expenditures, creating favorable conditions for

production and livelihood, especially the livelihood of workers, civil servants and all those who honestly earn their living.

9. /Continue to carry out the socialist transformation of the south;/ positively and steadily collectivize agriculture, handicrafts and artisan industry; satisfactorily implement the principle of voluntariness for mutual interests and democratic management; closely link the transformation with the reorganization and acceleration of production; consolidate the established socialist economic organizations; correctly implement the policy toward the five economic elements in the south in order to fully use all abilities to develop production; /consolidate cooperatives in the north;/ rationally arrange the organization and scale of agricultural cooperatives and production teams; closely associate the consolidation of cooperatives with the building of the district level; and accelerate the movement to learn from, catch up with and outdo advanced cooperatives.

10. /Vigorously develop the tasks of scientific and technical research and increase their results; accelerate the application of technical innovations to production; qualitatively enhance the tasks of educating and training cadres; closely associate cultural, information and artistic tasks with political and economic duties; positively meet the requirements of disease prevention and treatment, of health protection and physical training, and of protecting mothers and children; and satisfactorily fulfill the tasks of social welfare and war invalids./

11. Make the utmost effort to /fulfill the requirements of national defense and security;/ stand ready to fight and to support the combat; firmly maintain political and public security and order and, at the same time, devise alternate plans to actively counterattack and insure victory in defeating all aggressive wars under all circumstances. All the armed forces must strengthen management, strictly practice thrift, devise plans to rationally and effectively participate in economic construction, and actively engage in production to partly resolve their grain and food problems.

12. /Satisfactorily fulfill the international obligations to the Lao and Kampuchean revolutions; vigorously strengthen the relations of bilateral and multilateral cooperation/ with the Soviet Union and other socialist country members of CEMA, and expand the relations of trade and economic cooperation with other countries.

Following are the main guidelines, tasks and measures of the 1980 state plan for various economic sectors.

/Agriculture/

Concentrate efforts on promoting agricultural production, especially the production of foods, raw materials for industry and agricultural products

for export and at the same time make preparations in all fields for further development in the years ahead.

The year 1980 calls for a vigorous change in grain production. The entire party, people and army must struggle to obtain 15 million tons of foods calculated in terms of paddy, up 11 percent over this year.

Every province, district and primary production unit must carefully use all of its potentials in terms of land, labor and existing material facilities to attain the highest norm of grain production. The volume of grain production must be increased over 1979 by 15 percent in the Red River Delta provinces, 11 percent in the Bac Bo Central Highlands, 15 percent in the Bac Bo mountainous region, 13 percent in the former Fourth Region, 14 percent in the former Fifth Region, 11 percent in the Tay Nguyen area, 14 percent in the Eastern Nam Bo and 13 percent in the Mekong Delta.

To achieve the aforementioned volume of grain production, we must step up intensive farming, increase crop yields and expand the cultivated area by diversifying crops and clearing virgin land.

In 1980, we must strive to increase the grain crop area by 8 to 10 percent over 1979 by mainly relying on the cultivation of fallow land in various localities--especially along the southwestern border and in some parts along the northern border--by cultivating all the land left fallow in the Bac Bo plains, by minimizing the areas of virgin and fallow land in the provinces of the Central Highlands, mountainous regions, the former Fourth Region and Nam Bo, by expanding the area planted for extra crops and by quickly cultivating all the newly reclaimed virgin land.

We must vigorously develop the cultivation of subsidiary food crops in all regions, especially in the Central Highlands, mountainous regions and Tay Nguyen area; mobilize all forces (troops, workers, civil servants and students) to participate in grain production, mainly in the cultivation of subsidiary food crops, along with properly organizing the harvest and processing of crops so as to resolve by all means the urgent problem of food. We must strongly mobilize and adequately organize forces to fulfill this task as if it were a combat mission.

The Ministry of Agriculture and various sectors and echelons involved must concentrate on guiding the simultaneous implementation of concrete measures to carry out intensive farming and increase crop yields.

--/Water conservancy:/ We must closely combine water conservancy with agriculture to accelerate intensive cultivation in those areas which have become self-sufficient in water. In those areas where water is still insufficient, we must arrange crop cultivation in a rational manner to insure good harvests. We must improve the management and operation of

existing water conservancy projects and, at the same time, concentrate efforts on building the projects specified in the plan. We must continually control and urgently correct mistakes in technical design and construction to insure the uniform improvement of irrigation from major projects down to various canals and ditches and to quickly reap the results of investment in water conservancy.

--/Fertilizer:/ We must exert every effort to produce organic fertilizer and positively develop the production of green manure, especially nitrogenous plants. It is necessary to vigorously develop the rotational and alternate cultivation of legumes while rationally distributing and using chemical fertilizer, insecticide and other materials to bring about the optimum economic results. Unlike previous years, the distribution of materials (nitrogenous, phosphorous and alkaline fertilizers, fuel and oil) to agriculture must be closely associated with the implementation of two-way contracts on the exchange of goods between the state and peasants. This will promote the development of production and increase the state's capability for collecting and purchasing grain and other agricultural products, especially in those localities turning out high proportions of goods. The ministries of agriculture, food, foreign trade, transportation and communications, and home trade must closely coordinate with one another in controlling, transporting and promptly and correctly distributing materials in order to satisfactorily support production and enable the state to grasp the flow of food and other necessary agricultural products.

--/Seeds:/ The selection of seeds in primary production installations must be developed and carried out well to stop the mixing of various strains of seeds and poor quality seeds. Positive action should be taken to quickly resolve the shortages of high-yielding, short-term and insect-resistant varieties of rice and subsidiary food crop seeds.

--/Crop cultivation schedules:/ All districts, cooperatives and production collectives must closely watch weather conditions to strictly guide cultivation schedules for each type of crop and resolutely overcome the mechanical practices of parroting guidance, leaving ricefields and land uncultivated, and reducing crop yields because of delayed cultivation schedules, especially in those areas where the weather normally develops in a complex manner.

/Vigorously develop the planting of industrial crops and fruit trees./ We must concentrate on strongly developing the planting of such important long-term plants as rubber, coffee and tea. We should properly cultivate existing areas, improve and care for newly planted areas, plant more areas and, at the same time, urgently carry out the tasks of surveying, zoning off and planning various zones of concentrated cultivation and of building plant nurseries so as to quickly increase the newly planted areas effective 1981. This is an urgent requirement to be fulfilled in order to quickly increase exports and economic cooperation

with fraternal countries. As regards short-term industrial crops, we must primarily insure sufficient raw materials such as sugarcane, tobacco and jute for the existing factories, and expand the soybean areas in the provinces of Dong Nai, Song Be and Tay Nguyen. We must immediately plan on a large scale various zones for specialized and concentrated cultivation. As an initial step, we must expand the areas of cotton, jute, tobacco and castor in the provinces of the former Fifth Region and the south. The problem of water conservancy should be satisfactorily resolved in order to quickly expand the cultivated area in the years ahead. In 1980, we must strive to further expand the cultivated area and pay more attention to intensive cultivation so as to quickly increase the yields of tobacco, sugarcane, rush and soybean.

/Vigorously accelerate the development and consolidation of state farms:/ Investment priority should be given to those farms which have already formulated their production plans and guidelines and are fruitfully running their business. The agricultural, water conservancy and labor sectors must immediately start surveying, planning and organizing the managerial apparatus and workers for the grain production farms in the Mekong Delta and Tay Nguyen provinces so as to immediately engage in production. Apart from the tasks of caring for and cultivating the existing area, in 1980 all state farms must clear 90,000 hectares of virgin land--planting rubber, coffee and tea on 17,000 hectares and food crops on 55,000 hectares.

In 1980, the tasks of /clearing virgin land and expanding the cultivated area/ will be mainly and concentratedly carried out by the state farms along with consolidating the cultivation of those areas reclaimed in previous years. New land should be reclaimed on the basis of preparing adequate conditions for land reclaimants to insure production and livelihood. Policies on the reclamation of virgin land and the building of new economic zones should be promptly amended.

/Positively develop the raising of livestock and fowl./ On the basis of increasing the number of head in line with the capability of resolving the feed problem while paying special attention to the weight of marketed livestock, it is forecast that meat production will increase by 9 percent, including 5 percent for pork, and chicken and duck egg production will increase by 6 percent.

/All sectors and echelons must concentrate effort on effectively supporting agriculture/ so as to satisfactorily fulfill their agricultural production tasks.

The 1980 state plan will reserve more than 30 percent of the investment in capital construction of the whole national economy for agriculture and water conservancy, make maximum efforts to meet the demand for phosphate and nitrogenous fertilizers, insecticide, fuel and electricity for agriculture; supply 150,000 improved carts, 700 big tractors, 1,500

Bong Sen mono-cultivators, 70,000 insecticide sprayers and 3,000 electric pumps; insure the fulfillment of demands for ordinary labor tools; increase the production of spare parts for agricultural implements; assign an adequate work force to the state farms; and provide for sufficient surveying and planning forces to support the reclamation of virgin land and the development of state farms.

/Forestry/

Investments in forestry will equal those of 1979, permitting the planting of 100,000 hectares of forests in various areas such as those specialized in producing paper-making raw materials and mine-support beams. Timber exploitation must be accelerated in the Thanh-Nghe Tinh and Binh Tri Thien areas, in the Central Highlands and in eastern Nam Bo, especially in areas which have exploited timber for export. Manpower for afforestation must be reasonably used, especially in the northern border areas. We must continue to provide capital for forestry cooperatives. Guidance and assistance in terms of tree species and tree-planting techniques must be given to the people in order to accelerate the tree-planting movement in localities. Plant nurseries must be established in order to supply forestry sites and people with sufficient saplings. Positive measures must be taken to prevent forest fires and destruction.

In 1980, efforts must be made to increase the lumber exploitation output by 13 percent over 1979. Guarantee must be given to supply sufficient timber for mining passages, export, for the building of ships and boats and for other purposes in capital construction, communications and transportation, national defense and so forth.

Firewood exploitation must also be accelerated to provide fuel wood for the people in the urban areas and for industrial zones. In 1980 efforts must be made to achieve or overfulfill the norm of 1.5 million truck-loads of firewood.

The production of turpentine must be organized well to meet domestic industrial needs. Efforts must be made to produce as much as possible for export.

Sufficient vehicles, machines and fuel must be supplied to lumber exploiting establishments so they will meet the ever increasing demands of the state. Localities must make full use of manual labor and rudimentary transportation means to exploit timber, including tree tops and branches, in order to satisfy local consumption needs.

/Fishery/

Faced with difficulties concerning fuel, spare parts and so forth, the fishery sector must closely manage materials and distribute them to fishermen, vigorously develop the fleet of sailboats and fully use

manpower to catch maritime products to meet the ever increasing demands for /shrimp and squid for export, fresh fish for urban centers and industrial zones and dried fish for mountainous and border provinces/.

In 1980, along with accelerating sea fishing exploitation, we must purchase 200,000 tons of sea fish and produce 80 million liters of fish sauce. The value of exported maritime products will increase 76 percent over 1979. The output of freshwater fish and brackish water fish will increase 12 percent.

We must properly implement the two-way economic contracts between the state and fishermen. Fuel supply priority must be given to those units and localities which have achieved a high catch output and sold large quantities of maritime products to the state.

We must satisfactorily carry out leadership over the purchasing and processing of shrimp and squid for export in Minh Hai, Thuan Hai and Kien Giang provinces, and breeding of shrimp for export in Tien Giang, Hai Giang, Cuu Long and Ben Tre provinces, and so forth.

/Industry/

The value of industrial output will increase by 4.7 percent compared with 1979, of which the production of consumer goods will be up 9 percent.

--/With regard to the consumer goods industry:/ We must organize satisfactorily implementation of the resolution of the sixth party Central Committee plenum on developing the consumer goods industry and local industry. Every measure must be sought to replace imported raw materials with locally available ones, such as raw materials for producing detergent, various kinds of steel for manufacturing work tools and bicycle tire rims, soldering iron, paper pulp, oil for making paint, and so forth. We must continue to solve problems concerning policies on and satisfactory organization of the purchase of raw materials for factories, such as sugarcane, tobacco, coconut oil, manioc flour, oleaginous seeds, and so forth, in order to increase the production of paper, soap, sugar, monosodium glutamate, cigarettes and so forth. We must further develop hand-operated yarn spinning work and produce jute carpets, embroidered products and bamboo and rattan goods for export. We must develop small industry and artisan and handicraft production potentials of various economic elements in order to quickly meet the people's multifarious needs for consumer goods.

/Electricity:/ Due to the limited source of fuel, the use of electricity to meet living conditions should be restricted. However, electricity must be necessarily reserved for production and construction.

/Coal:/ We must increase the volume of coal production by 14 percent over 1979, make positive preparations for increasing the mining capacity

in subsequent years, increase the quantities of coal for export, industrial production and transportation sectors, thus expanding the capability of repairing equipment and building roads; positively exploit local sources of coal; fully use coke and peat; and resolve the problem of processing coal instead of kerosene for use in the cities.

A policy on energy must be studied and promptly promulgated.

/Engineering:/ The engineering sector's production plan must center on the fulfillment of the most urgent requirements of the national economy, namely agricultural production tools, spare parts for the repair of machinery and equipment, mining tools and transporting barges. At the same time, the sector must exert every effort to expand production and manufacture some goods for export. As for other products, their production should be arranged depending on the capacity of materials.

/Metallurgy:/ Mining of the Pham Me rich coal must be accelerated to insure enough coal for the operation of blast furnaces to increase the volume of cast iron production by 14 percent over 1979. The Ministry of Engineering and Metals must strive to increase steel production in order to reduce steel imports and turn out products for export.

/Chemicals and fertilizer:/ We must increase the production of phosphate fertilizer by 32 percent, nitrogenous fertilizer by 32 percent and acetylene by 25 percent over 1979, and strive to produce some chemicals which are being imported.

/Construction materials:/ We must increase the production of cement by 30 percent over 1979 and strive to develop the production of gypsum in the saltworks of Thuan Hai and Phu Khanh provinces.

/Survey and exploration of mineral oil, natural gas and other mineral ores:/ We must continue to vigorously accelerate the exploration of mineral oil and natural gas in those areas of high prospects, and organize well the tasks of providing support for drilling rigs.

We must actively survey, explore and determine the country's potentials in terms of natural resources and concentrate our efforts on expanding the mining of some mineral ores and preparing for the prospecting of others.

/Transportation and Communications/

Along with increasing the material and technical bases, we must reorganize and strengthen the management and leadership of the transportation and communications sector, especially in rail, sea and river transport and at ports, and overcome the negative and nonchalant phenomena in the sector in order to insure the fulfillment of the main objectives of receiving and shipping such import and export items as coal and timber,

of transporting goods from the north to the south and to various northern border provinces and of providing transportation for the Lao People's Democratic Republic and the People's Republic of Kampuchea.

To overcome difficulties resulting from the restrictions in fuel, tires and spare parts, we must fully use the capacity of rail transportation, strongly develop river transportation and other ordinary transport facilities, and resolutely reduce the volume of truck cargo.

To fulfill the above requirements, it is necessary to:

--Intensify the repair of locomotives and freight cars, resolve the problem of fuel supply and increase the rail-transported cargo by 20 percent over 1979.

--Vigorously develop river transportation in the Bac Bo, Nam Bo and Trung Bo deltas; intensify the repair and building of barges and boats; increase the loading and unloading capacity at ports and the volume of river-transported cargo by 13 percent over 1979.

The truck transportation forces mainly provide transportation in the mountainous and border regions, in the friendly countries of Laos and Kampuchea, in the removal of goods from stations and ports, on various major construction projects and in those localities where railways and waterways are not available. The use of trucks for transportation between the north and the south and on short distances or for one-way shipment should be minimized. Buses are mainly used to transport passengers on interprovincial routes and from provincial to district towns, and primarily to take cadres and workers to their duty stations in cities and industrial complexes. A study should be made to develop public conveyance by trams and trolleybuses in Hanoi and Ho Chi Minh cities.

--Strict managerial measures should be taken to control the supply and use of fuel and oil and the use of transportation facilities and to oppose waste and pilferage of fuel, oil, materials and goods in transit and at loading and unloading sites.

--It is necessary to institute a policy to encourage transportation enterprises and workers to increase the number of round-trip shipments and use trailers. Some of the automobiles should be improved to run on coal gas. The use of automobiles (especially cars) against the state regulations should be stopped. We must encourage the use of horse-drawn carts to transport passengers from district towns to villages and in towns, insure the supply of materials needed to build and repair ordinary transport facilities and redetermine freight rates and bus fares in line with the costs of imported fuel and transport facilities and the adjustment of prices and wages, if any.

--We must urgently improve and strengthen the managerial organization of the transportation and communications sector, insure the satisfactory fulfillment of the task of providing safe transportation of state property and the people, overcome all negative phenomena causing waste and loss of the state's materials and goods, scrupulously enforce all the regulations on the operation and maintenance of vehicles and engines and traffic laws, and minimize all the causes of trouble in transportation and communications.

--/Information and postal services:/ We must continue to develop the postal and communications systems in the major provinces and districts throughout the country, especially along the border and coast; urgently complete the installation of the wire communication network from Hanoi via Ho Chi Minh City to Kien Giang and Minh Hai provinces and the construction of a satellite-relay communications center so as to quickly develop international communications, and consolidate and qualitatively improve the existing postal and communications networks by expanding and improving services, insuring timeliness, safety and accuracy, and fulfilling the demands of the state and people.

/Capital Construction/

It is estimated that in 1980 investment in capital construction will increase by 2.2 percent with a 5.5 percent rise for building and assembling as compared with 1979.

At a time when our capacity in terms of capital and construction materials is still limited, to achieve the highest results, the 1980 plan for investment in capital construction must:

--Concentrate on agriculture, water conservancy and a number of projects catering to agriculture.

--Quickly increase our capacity in exports for subsequent years.

--Insure the timely completion of various major industrial projects in the coal, electricity, engineering, cement, phosphate fertilizer, textile and paper sectors.

--Increase the material and technical bases of the transportation and communications sector and a number of important storage facilities.

--Earmark necessary capital for in-depth investment, especially in those projects completed below prescribed norms by various sectors and localities in order to completely improve all primary production installations in a uniform manner, creating conditions for exploiting all the latent potentials and developing the local economy.

--Concentrate efforts on completing and building various water supply systems in cities and towns and at various public health and educational projects and children's nurseries built with foreign aid; solve the housing problem for workers at mining areas and in the state farms and afforestation stations, and for Hanoi residents; and temporarily suspend the construction of headquarters, conference halls and offices for various agencies.

--Closely manage the economical use of construction materials and mobilize the forces of workers, students, civil servants, troops and other labor forces to participate in capital construction work.

Within /agriculture, water conservancy and forestry/: Investments in agriculture and water conservancy will increase by some 19 percent over 1979, among them the investments in state farms will triple those of 1979, concentrating on rubber, coffee, tea, pineapple and food crops.

We must continue to invest in the reclamation of virgin land and afforestation in various concentrated zones.

The construction of maintenance shops and garages for tractors must be completed.

We must concentrate capital and construction materials on the development of such water conservancy projects for 1980-81 as the systems of southern Thach Han River and the Phu Ninh, Yen Lap, Song Muc and Dai Lai lakes, and study the development and improvement of the irrigation system for the cotton areas in Phu Khanh and Thuan Hai provinces, while continuing to improve the network of canals and ditches in order to satisfactorily exploit our existing projects.

Within /industry/: Investments in industry will be up 17 percent, in which investments in building and assembling will increase by 8 percent. Much attention will be given to building the Hoa Binh hydroelectric plant, the Pha Lai thermal electric plant, the diesel engine manufacturing plant, the Pha Rung shipyard, the Gia Lam locomotive plant, and the Bim Son and Hoang Thach cement factories; to expanding the Lam Thao phosphorous fertilizer plant, the Vinh Phu paper mill, and the Dong Nam, Thang Loi, Nha Trang, Vinh, Hue and Hanoi textile plants; to setting up establishments dealing with the export of marine, forest and agricultural products; to expanding the subsidiary crops processing networks in various subsidiary crops production centers, etc.

Within /communications and transportation/: Great efforts will be concentrated on transforming and expanding the Haiphong seaport; on completing the transformation of the Da Nang and Ben Thuy harbors and the Hanoi and Nam Ninh river ports; on building the Cua Lo harbors; and on making preparations for the construction of the Nghi Son harbor while continuing the construction of the Thong Nhut railway, the Thang Long

bridge, the Duong bridge, a suspension bridge across the Red River and important road networks.

With regard to /the nonproduction sector/: We will build 1.5 million square meters of housing space—including 1 million square meters in various state farms and forest sites—chiefly with the use of locally available materials. In order to increase housing construction areas in Hanoi, it is necessary to estimate the construction scale in such a way as to suit our potentials in cement and steel while stepping up the construction of public utilities including running water systems, public health and educational projects funded by international organizations.

/Export, Import, and Economic Cooperation With Foreign Countries/

Striving to accelerate export and expand economic relations with foreign countries is an immediate and urgent task of lasting strategic importance for the development of the national economy. All branches, localities and production establishments must fully use all existing potentials in order to fulfill and overfulfill export plan norms for 1980. At the same time, they must increase investments and intensively prepare all conditions for quickly increasing the capabilities of producing export goods in subsequent years.

In 1980, export value will increase by 23 percent compared with 1979, with agricultural produce up 20 percent; sea products, 76 percent; forestry products, 25 percent; and heavy industrial products, 49 percent.

In the years ahead, we will develop short-term industrial plants such as tobacco, ricinus, jute, groundnut, beans, pineapple and spice plants while restoring and expanding the areas under perennial industrial plants such as rubber, coffee, tea and so forth.

We can now quickly increase the export of maritime products (especially shrimp and squid). What we must do for the present is to invest capital in this business in a uniform manner and to strengthen organization, management and leadership from the time the maritime products are caught to their purchase, processing, preservation and transportation, in order to quickly increase export products and improve their quality.

We must organize the exploitation and processing of timber for export well, fully use all capabilities for planting forests and exploiting forests for raw materials and satisfactorily organize the production of export goods made of bamboo, rattan and palm tree leaves.

Efforts must be made to fulfill and overfulfill plan norms for the exploitation of coal and some other mineral products and to fulfill and overfulfill cement production plans in order to increase these export products.

We must widen economic cooperation with foreign countries, and produce more goods for them with materials supplied by them. This is also one of the major tasks aimed at obtaining large amounts of foreign currencies and solving the unemployment problem. The foreign trade sector must closely coordinate with the light industry, engineering and small industry and artisan sectors in localities in fully using existing production potentials and increase investments in order to further increase the production of export goods and to produce as many goods as possible for foreign countries with materials supplied by them.

Another important task is to develop the production of export goods in localities and intensify maritime and air transportation activities and postal and tourist services and other support services for foreigners. This task must be well organized and carried out to obtain foreign currencies.

To accelerate export, along with investments aimed at quickly increasing the production of export goods, we must quickly revise the policy of encouraging the people and production establishments to step up the production of export goods and sell them to the state. The foreign trade sector must strengthen management and leadership in order to satisfactorily organize the production and purchase of export goods.

/With regard to import/: We must carefully evaluate import requirements. All sectors, localities and production establishments must make full use of all potentials in the country and make the greatest efforts to solve problems concerning raw materials, supplies, machinery, equipment and spare parts in order to reduce imported goods. We absolutely must not import those kinds of supplies and raw materials that can be exploited in the country. Initiative must be taken in formulating production, construction and consumption plans in keeping with import capabilities.

/With regard to economic relations with foreign countries/: We will continue strengthening economic relations with the Soviet Union and other socialist countries in the Council of Mutual Economic Assistance, and with the Lao People's Democratic Republic and the People's Republic of Kampuchea, while expanding trade and economic relations with other countries.

/Finance, Currency, Prices/

The urgent tasks concerning finance, currency and prices will consist in actively exploiting all sources of capital, meeting all requirements of the national economy, stepping up production and construction in such a way as to achieve high economic results, and thus contributing to stabilizing the people's lives.

/Finance/: It is imperative to develop fully the role of controlling the sources of capital and assets; to get deeply involved in the activities of various sectors, localities and grassroots-level organizations; to exploit fully all sources of income within the national economy from all three domains, state-run, collectively operated and privately run; to provide in a timely manner capital for production and trade, especially for agricultural production and the manufacture of consumer goods; to contribute actively to boosting production and expanding the circulation of goods while exercising supervision and control over the managerial activities of various sectors, echelons and organizations; to uphold state law in collecting taxes so as to insure state income; to implement a policy of strict economization; and to increase efficiency in the use of capital in production, construction, expenditures, etc. We must standardize and strengthen our management over the earning and spending of foreign currency; must use our foreign currency reserves economically and effectively; and must increase the responsibility of various sectors, echelons and units over the earning and spending of the state's foreign currency.

We must prepare to submit a national policy on agricultural taxation to the National Assembly for ratification in order to promote production and insure peasants' reasonable obligational contributions to the state; and we must collect fees for irrigation and machine-plowing services. These fees will be collected in kind on the basis of determining a reasonable rate of collection and insuring that the state will not suffer any losses. We must resolve to collect correctly and fully industrial and commercial taxes and other fees such as housing rents, electricity and water fees, etc. We must absolutely practice thrift in all expenditures by state organs, enterprises, and the armed forces and for production and construction.

/Currency, credits/: On the basis of strengthening and expanding credit activities, we must satisfactorily collect payment of short-term and long-term debts; and we must take steps to encourage the deposit of all sources of unused capital of the economy and of the people into savings banks in order to insure enough credits and cash for the requirements of production, construction and circulation.

We must coordinate closely with the financial and managerial sectors in effectively using credits for investment.

We must increase our control and inspection over the observance of fiscal discipline (such as the system of managing cash, payroll funds, etc.) in various enterprises, public institutions, military units, etc.

We must expand the savings network, especially in the southern provinces; and we must insure convenience for savings account owners and increase bank savings.

/Prices/: We must further improve the pricing policy to suit the present economic situation in our country in order to promote increased production and reduce state expenditures for covering losses or for subsidies, etc.

We must accelerate studies for improving the wage system and must combine this with improving the pricing policy. Pending improvement of the wage policy, the state will continue to maintain the supply of daily necessities to office and manual workers and to those who work under contracts with the state.

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[26 Dec 79 pp 3, 4]

[Text] /Regarding Commerce and Life/

Promoting requisition-purchasing in order to control the sources of supply, meet the staple food needs of the state sector, and provide agricultural raw materials, forestry products, and marine products for industry and export is a foremost mission of the circulation and distribution sectors.

In 1980, they must endeavor to increase the commodities mobilized in the country by 16 percent over 1979, with agricultural products, forestry products, and marine products increasing by 60 percent and the total index of goods sold on the organized retail market increasing by 15 percent.

/With regard to staple foods in the state sector/: The localities must positively take the initiative in resolving the problem of balancing staple foods in accordance with a structure appropriate to them. With regard to the localities which are not yet able to contribute staple food to meet the common needs of the entire nation, they must endeavor to meet their own needs and advance to producing surpluses in order to contribute to meeting the common needs. The localities which in 1979 had staple food to contribute to meeting the common needs must in 1980 make even greater efforts. In addition to such municipalities and concentrated industrial zones as Hanoi, Haiphong, Ho Chi Minh City and Quang Ninh, in 1980 the localities must endeavor to notably reduce the amount of staple food the central echelon must provide them. Along those lines, it is estimated that in 1980 the amount of staple food mobilized by the state will increase by 78 percent over 1979.

In order to meet that goal, it is necessary to do a good job of applying the following measures:

--Organizing throughout the nation the implementation of the new policies on stabilizing the staple food obligation and assuring the

collection of the full amount of taxes, irrigation fees, and tractor credits, and doing a good job of organizing requisition-purchasing in accordance with two-way economic contracts.

--The distribution of staple food must be very closely supervised. The supplying of staple food to people engaged in fishing, salt-making, vegetable growing, industrial crop growing, handicrafts, etc., must be carried out in accordance with two-way contracts and depend on the amount of products sold to the state. The present situation of equalized distribution must be reduced. The state provides staple food for the areas growing industrial crops in a concentrated manner, with the condition that they fulfill their obligations to pay taxes and sell agricultural products to the state.

/With regard to mobilizing raw materials for industry and export, and nonstaple food for the municipalities and industrial zones/: The collection of agricultural taxes in kind will be expanded with regard to a number of agricultural products. Efforts will be made to increase the mobilization of pork by 25 percent over 1979, vegetables and fruit by 39 percent, soybeans by 2.4 times, peanuts by 56 percent, tobacco by 3.5 times, jute by 26 percent, rush by 25 percent, and sugarcane by 2.4 times. Efforts will be made to achieve the maximum mobilization of vegetables, dipping sauce, fish, etc.

/With regard to consumer goods/: In addition to concentrating on providing some of the principal nonstaple foods, all-out efforts must be made to do a better job of providing such essential goods as writing paper, laundry soap, rush mats, porcelainware, glassware, wooden items, etc. With regard to cloth, priority must be given to the armed forces, while the other categories are to be assured a level of supply equal to 1978-1979.

All-out efforts must be made to fully meet the cooking fuel requirements of the municipalities and industrial zones by providing coal, firewood, and kerosene.

We must resolutely change the equalized system in the distribution of goods. From now on, the distribution of goods to the localities must be in balance with their purchasing power, but must also be based on the degree to which they have contributed to meeting the common needs of the nation. The commercial sector must undergo a strong transformation with regard to organization and commercial activity, especially at the district echelon.

It is necessary to actively study the early implementation of the improvement of the salary system with regard to workers and officials.

/With Regard to Labor and Training:/

The distribution and utilization of labor and the training of technical cadres and workers must be closely combined with the requirement of developing production; at the same time, it is necessary to meet the requirement of increasing the labor productivity of each individual, each base, each locality, and each sector, and increase social labor productivity in the national economy.

In order to be of practical service to agricultural production, it is necessary to increase the number of technical workers and technical and economic management cadres for agricultural production, and assure sufficient labor for intensive cultivation, increasing the number of growing seasons, clearing wasteland, and growing industrial and export crops.

We must do a good job of increasing the work force of the state farms and state forests. We must urgently study and promulgate new policies to encourage and assign technical cadres and workers to strengthen the state farms, state forests, and collective economic zones.

In sending workers to the new economic zones, we must fully understand the principle of sending them only after there are specific locations, production directions and plans, and after living and production conditions have been relatively well prepared.

We must positively provide jobs for the unemployed in the cities, especially in Hanoi, Haiphong, Da Nang, and Ho Chi Minh City, along the lines of developing sectors and trades, creating sources of raw materials for industry and handicrafts, sending workers with technical training to the rural areas to repair the various kinds of machinery, augmenting the labor of the state farms and new economic zones to grow industrial and export crops, recruiting labor for the mines, etc.

Every sector and locality must, along with the bases, examine and grasp the production capabilities, and capabilities for balancing materials, of each base in 1980. It is essential that the bases which are assured materials for production fully meet the technical standards, norms, regulations, and rules, assure increased labor productivity, and reduce expenditures. The state must pay salaries according to the volume of production attained. The bases which lack raw materials must take the initiative in seeking ways to draft production plans and use their labor.

By means of all effective, resolute measures, we must rationally utilize all redundant labor in the state sector and the students who graduate in 1980.

In training, it is necessary to pay special attention to improving quality. The number of students selected by the colleges and advanced

schools must equal the 1979 level. Attention must be paid to training agricultural, public health, education, and economic management cadres, workers for the coal and cement sectors, workers to drive and repair tractors, etc.

We must promote the task of improving the skills of the technical workers who are now engaged directly in production in order to expand the corps of skilled workers and supervisory workers. We must develop the basic and advanced training of scientific-technical cadres and economic management cadres by means of intensive courses and on-the-job training. We must reorganize the network of schools, rationally assign training responsibilities, avoid duplication, and promulgate rules for the selection of students for training according to locality and territorial area so that the distribution of graduated students can be appropriate to the local requirements. In order to rapidly increase the number of scientific-technical cadres for the cooperatives, it is necessary to encourage the agricultural and handicraft cooperatives to send people to study in the colleges, secondary schools, vocational schools, etc., so that after they graduate they can return to serve the cooperative.

/With Regard to Science and Technology:/

In addition to rectifying and further perfecting production management, it is necessary to strengthen technical management in the basic-level units and take positive steps to rapidly introduce technical advances into production and concentrate on effectively resolving the major, urgent problems in actual production, in accordance with the key programs included in the state plan.

/In agriculture,/ in addition to creating a network to produce and supply seeds extending from the central level to the base level, it is necessary to pay all-out attention to rapidly bringing into main-season production the plant varieties and farm animals that have been researched and subjected to experimentation. We must continue to do research to add to the number of new varieties which are appropriate to the structure of plant and animal varieties, in order to meet the needs of intensive cultivation, increasing the number of growing seasons, expanding the acreage in each area and for each season, and improving the farm animal flocks and herds. Technical advances must be applied to the production of organic fertilizer and green fertilizer, and to producing and using pellet fertilizer in order to increase the effectiveness of fertilizer use. We must strengthen guidance in the application of formulas regarding the structure of plant varieties and technical processes that are appropriate to each crop and each farm animal in each production area. Attention must be paid to illuminating problems regarding the structure of winter crops and a rational year-round crop structure in each area; problems regarding irrigation, drainage, and the use of water in accordance with scientific methods; problems regarding the planting schedule and the crop tending schedule; problems

regarding the prevention and elimination of insects and diseases by combined methods, etc. While endeavoring to apply scientific-technical advances on a broad scale in order to increase the degree of uniformity in production, it is necessary to pay attention to guiding the demonstration points in applying the technical advances uniformly in the districts and cooperatives in order to attain all-round, solid effectiveness and create the preconditions for expanding their application at a higher level.

/In industry and construction,/ special attention must be paid to measures intended to reduce the consumption of materials, create sources of raw materials, materials, and replacement parts, and reduce imports, such as improving the quality of metal castings; fully utilizing steel, copper, and aluminum scrap; producing hard metal alloys on a small scale; producing equipment to work mines and obtain rock, sand, and gravel, and construction machinery and water pumps; producing high-pressure injection pumps for diesel engines; producing and rebuilding spare parts for the various sectors; rationally utilizing fuel and producing iron oxide, titanium oxide, magnetic materials, and raw materials for producing soap powder; producing rough protein and growth-stimulants for farm animals; producing a number of construction materials such as roofing panels, reinforcing rods for concrete, metal filaments, color dye, 35 KV electrical insulators, etc.

There must be state quality control of 122 products, and the technical management of the sectors and localities must be strengthened. There will be established 654 state standards and 30 state specifications, and 364 standards and 134 specifications at the sector level.

We must concentrate on building and equipping a number of research installations.

/With Regard to Education, Culture, Public Health, Society:/

/Regarding education:/ On the basis of consolidating the schools and improving the quality of instruction and study it is necessary to assure the good implementation of policies to reform education.

It is estimated that in the 1980-1981 school year the number of nursery school pupils will increase by 7 percent over the 1979-1980 school year, and the number of pupils in the first grade will increase by 3 percent. We must increase the number of teachers and build additional classrooms for the general education schools, increase the number of textbooks for the general education schools, and pay attention to editing and printing textbooks to serve the reform of education. We must continue to develop the cultural supplementation movement, with emphasis on the base-level cadres and youths in the southern provinces, and arrange for those who escape from illiteracy to study in advanced classes so that they will not again become illiterate. The number of people studying in cultural

supplementation classes will increase by 6 percent over 1979. We must activate a movement for pupils to participate in production and pick up waste material.

/With regard to culture and information:/ We must promote and improve the quality of publishing, libraries, exhibitions, broadcasting, television, art, motion pictures, museums, etc. We must develop the mass culture movement and strengthen the cultural centers in the localities. We must build 300 additional base-level loudspeaker broadcasting systems with 110,000 loudspeakers. By the end of 1980, the towns and cities (especially in the northern border provinces) must have loudspeaker broadcasting systems. The number of current events films, feature films, popular science and technology films, etc., must be increased, to assure that on the average each person views 5.5 films a year. We must resolutely eliminate the books, newspapers, periodicals, and administrative forms that are not truly essential in order to economize on printing paper and give priority to paper to the schools.

/With regard to public health:/ On the basis of strictly implementing the policy of combining native medicine and pharmacology with modern medicine and pharmacology we must improve the quality of sanitation, disease prevention, epidemic prevention, medical examinations, and medical treatment, promptly eradicate epidemics, expand the growing and raising of plants and animals for medicinal purposes, positively increase the production of medicine to treat illness, especially the various types of ordinary medicine produced from domestic pharmaceutical materials, and pay attention to consolidating the public health organizations at the district and village levels. The public health sector must always be prepared in all ways to serve combat.

In 1980, it is estimated that the number of hospital beds will increase by 7 percent over 1979; the value of pharmaceuticals requisition-purchased will increase by 36 percent, and the export of medicine will increase by 4.5 percent, over 1979.

We must continue to promote the planned parenthood campaign.

/With regard to physical education and sports:/ We will continue to promote the physical education and sports movement in order to improve the health of the people and the people's armed forces.

We must develop the production of physical education from domestic materials to supply to the people and serve export.

/With regard to child-care centers:/ In addition to investment by the state, it is necessary to extensively mobilize the materials and labor of the production bases in order to develop the day-care centers. The total number of children admitted into the day-care centers will increase by 12.5 percent over 1979.

/With regard to the wounded soldier and social welfare task:/ We must consolidate and strengthen the installations caring for wounded and ill soldiers, and combine treatment with the restoration of facilities. The care of seriously wounded soldiers whose condition has been stabilized must gradually be shifted to the localities, and treatment must be combined with helping the wounded soldiers participate in production and social activities. Employment must be provided for wounded soldiers and demobilized military personnel.

In 1980, additional production installations for wounded soldiers must be organized. We must promote the training of vocational teachers for the handicapped.

/Part Three/

/Improve Planning and Management, Strengthen Organization and Implementation Guidance/

/Dear members of the National Assembly:/

The nation's present economic situation and the economic development mission urgently demand that we overcome the difficulties, especially the tardiness and laxity in economic management and implementation guidance. We must eliminate the administrative-supply and equalized managerial methods and make basic improvements, from the managerial procedures and planning to the management policies and systems and the management organizational apparatus. That task is truly great and complicated and must be urgently researched in order to carry it out in 1980 and the next few years.

In the immediate future, in order to assure the good fulfillment of the 1980 state plan, we will concentrate on resolving some of the most urgent problems in planning as well as in management organization and implementation guidance. The resolving of those problems must meet the present requirements and must also be appropriate to the basic transformation of the economic management system in the future.

In 1980, the improvement of planning and management, and the strengthening of organization and implementation guidance must meet the following basic and urgent requirements:

--Fully understanding the principle of democratic centralization in economic management and planning.

--Combining planning with the use of market, commodity, and monetary relationships to strongly stimulate the workers and the basic units, promote production and commerce, increase labor productivity, and increase economic effectiveness.

--Strengthening the system of responsibility, raising consciousness of organization and discipline, and overcoming the negative phenomena in economic and social management.

In accordance with those requirements, in the immediate future it is necessary to do a good job of fulfilling the following tasks:

/1. Improve planning./

At present, studies regarding changes in planning are being carried out along with studies regarding the major economic problems in order to serve the fulfillment of the 1980 state plan and the drafting of the Third Five-Year Plan (1981-1985). In addition to improving the economic policies, perfecting organization, and rectifying the corps of economic management cadres, the improvement of planning must be intended to develop, and make the best use of, the economy's existing labor, raw materials, and material-technical bases, along the lines of the resolution of the fourth party congress and the resolution of the sixth plenum of the party Central Committee. The contents of the improvement of planning are:

--Assuring the centralized, unified management of the central echelon, while also doing a good job of drafting plans at the base level, expanding the right to take the initiative and be creative, and strengthening the sense of responsibility of the sectors, localities, and bases in drafting and fulfilling plans.

--Assuring balance and completeness with regard to the plan norms, especially the important economic objectives, so that the sectors, localities, and bases may have favorable conditions for fulfilling their economic missions.

--Combining planning with the utilization of market relationships to conditions for production to "take off" along the lines of the state plan.

Beginning in 1980, with regard to agriculture the legal norm assigned to the agricultural cooperatives and production collectives will be the volume of agricultural products supplied to the state in accordance with a fixed obligation, and the most important legal norms the Council of Ministers will assign to the localities are the quantities of agricultural products requisition-purchased and supplied to meet the common needs.

With regard to industrial products, the Council of Ministers will manage the most important products, the products produced in large quantities, and the products related to the balancing of many economic sectors and of the nation. As for the consumer goods in the sphere of the localities and the products produced by the full utilization of secondary raw

materials and waste materials, the localities may take the initiative in drafting production and marketing plans.

With regard to capital construction, the Council of Ministers manages all capital invested in the economic sectors and the important projects; the rest is managed by the localities in accordance with the guidance of the managing sectors at the central level. From now on, the most important legal norms in capital construction will be the project volume or the project items completed and brought into use.

With regard to the people's living conditions, the localities have the principal responsibility. The Council of Ministers assigns the principal norms, such as staple food, cloth to make clothing, etc. The other items will depend on local production capabilities and the people's consumption needs.

In accordance with the above direction of planning improvement, the Council of Ministers will promulgate a list of domestically produced consumer goods and assign to the sectors and localities responsibility for managing them. At the same time, it will amend the system of technical materials planning to give the state the capability to assure balance and completeness with regard to the important norms of the state plan.

It is necessary to positively guide and assist the drafting of plans at the base level and in the districts, enterprises, enterprise combines, and corporations; more rationally determine the bases on which to calculate plans, such as economic-technical norms and prices for calculating plans; and promulgate specific stipulations regarding the organization of the plan apparatus, from the central level to the base level.

/2. Continue to amend and supplement the economic policies and economic management systems./

It is necessary to enable the echelons, the sectors, the cadres, and the people to fully understand and strictly implement the policies and systems that have been promulgated; pay attention to inspecting, supervising, and specifically guiding their implementation; and promptly correct the distortions and gain experience. Furthermore, it is necessary to urgently organize studies in order to amend and supplement the economic policies intended to more strongly develop an enthusiastic production labor spirit, exercise economy, and exploit all latent capabilities in the country, such as the policy regarding the requisition-purchasing of agricultural products; the policy regarding the distribution of staple food, nonstaple food, and consumer goods; the labor and salary policies; the price policy; the policy regarding the areas specializing in industrial crops; and the policy to stimulate the development of artisan industry and handicrafts, supplement a number of economic policies regarding the mountain region, etc.

It is necessary to quickly improve the system of managerial division of labor and decentralization, especially in the spheres of planning, finance, industrial materials, and circulation and distribution, in order to create conditions for the sectors, localities, and bases to develop their spirit of initiative and sense of responsibility, while also assuring adequate centralized management by the central level and enabling the central economy and the local economy to be organically related and become a unified structure with clear managerial division of labor and decentralization which coordinates harmoniously and serves the national economy as effectively as possible.

It is necessary to strengthen and improve management of the use of investment capital and improve the management of capital construction, in order to both overcome the situation of coercion and bureaucratic centralization and overcome the situation of dispersion and the use of materials and capital in a way that is wasteful and not in correct accord with the state plan norms.

/3. Strengthen and rectify the organization of management./

Each sector and echelon must manifest a sense of responsibility, fully understand the resolutions of the party, the National Assembly, and the government, and assure the fulfillment of the missions of the 1980 state plan.

The guidance of state plan fulfillment, the revision and supplementation of policies, and the changing of managerial formulas demand that the organization of management, from the central level to the local and base levels, be strong and effective, and that the ranks of the cadres be purified. It is necessary to positively rectify the apparatus of the sectors and echelons in order to assure that each apparatus is fully capable of managing and implementing plans, especially those of the districts, the enterprise combines, the corporations, etc. We must organize and perfect corporations which specialize in the major export crops, such as rubber, coffee, tea, vegetables, fruit, tobacco, etc., in order to assure management from production to the processing of export products.

The echelons and sectors must organize continuous inspection and supervision, focus their activities on the principal objectives, and take specific steps so that their guidance and management may be sharp and effective.

We must strengthen and improve the management of base-level economic units, carry out a general inventory, grasp and do a good job of utilizing all production capabilities of each base, and help the enterprises, enterprise combines, corporations, state farms, state forests, and agricultural cooperatives to have conditions for exercising mastery and accepting responsibility in production and commerce, and eliminate the equalization system in management.

We must strengthen the socialist legal code and continually encourage and oversee the implementation of state laws and regulations regarding social management and economic-technical management in the organs, enterprises, and cooperatives, and among the people.

A matter of great importance in both the short range and the long range is the strict implementation of the four systems (responsibility, discipline, protection of public property, and service to the people), thus creating favorable conditions for the masses to serve as the collective masters in production labor, as well as economic management and life, at the basic level.

The Council of Ministers and the heads of the various echelons and sectors must emphasize responsibility and discipline and the system of command, and strengthen guidance and control so that they may be appropriate to the fulfillment of the important missions of the state. If an echelon or unit cannot fulfill them or is experiencing difficulties, the person in charge must report and seek instructions; if anyone is incapable of performing his task he should examine himself and request permission to change jobs, and the upper echelon must promptly replace those who are incapable, shiftless, or lazy.

/4. Organize a "simultaneous uprising" mass movement to compete in increasing labor productivity and exploiting all existing latent capabilities and the positive factors in order to victoriously fulfill the 1980 state plan./

Each sector and echelon must promptly examine the problems of the bases, guide all activities toward serving the bases, and guide and assist the bases in drafting positive and solid plans, while also assuring the necessary conditions for the bases to strongly develop their potential and victoriously fulfill the state plan.

It is necessary to do a good job of educating and mobilizing the entire party, the entire population, and the entire army to correctly evaluate the victories, clearly realize the situation and direction, heighten the spirit of collective mastery, the offensive revolutionary will, and the spirit of self-sufficiency, and promptly smash the distortions of the enemy and the bad elements. On that basis, we must endeavor to develop the favorable factors and the latent capabilities, resolutely struggle against the negative phenomena, and victoriously fulfill the missions of 1980.

The campaigns to increase labor productivity, to encourage the cadres, workers, officials, and youths in the cities to go to the state farms, the state forests, the mines, and the land reclamation areas to participate in production and work, to oppose negative phenomena, to strengthen responsibility and discipline, etc., must become vast mass movements which have a revolutionary offensive spirit. The party organizations

and the mass associations, especially the trade union, the Ho Chi Minh Communist Youth Union, and the Women's Federation must fulfill their responsibilities in those campaigns.

It is necessary to arrange for management cadres, technical cadres, and technical workers to go to strengthen the agricultural cooperatives and rectify and perfect the managerial apparatus at the district echelon. On the basis of the movement for the masses to serve as the collective masters at the base level, the comrades heading the sectors and units must organize and closely guide the struggle against the negative phenomena in the economy and in society, especially the evils of stealing public property, bribery, and oppressing the masses. We must continually be on guard toward the sabotage plots of the enemy and the reactionaries, strengthen the management of political security and social order, and protect the lives and property of the people and the property of the state. In addition to the administrative and economic measures, we must promote educational recruitment, strongly mobilize social opinion, mobilize the participation of all forces, and transform the struggle against negative phenomena into a deep and broad mass movement.

/Dear National Assembly delegates,/

We are about to enter 1980, the last year of the Second Five-Year Plan (1976-1980). It is also a year with many great anniversaries: the 50th anniversary of the founding of the Vietnam Communist Party, the 95th anniversary of the birth of our beloved President Ho Chi Minh, and the 35th anniversary of the founding of the Vietnam of the new era.

In view of the new situation, now more than ever our entire party, our entire population, and our entire army must hold high the two flags of national independence and socialism, strongly manifest revolutionary heroism, a spirit of self-reliance, and an unyielding tradition, fully utilize the favorable conditions and new elements, overcome all difficulties, and advance to the winning of new, greater victories in the enterprise of building socialism and defending the Vietnamese fatherland!

The ethnic minority people throughout the country, the industrial workers and peasants, the handicraft workers, the intellectuals, and the members of the people's armed forces must manifest a spirit of socialist collective mastership, and give rise to a "simultaneous uprising" movement to compete in production labor, increase labor productivity, victoriously fulfill the 1980 state plan, and achieve many outstanding accomplishments to celebrate the great anniversaries of the Vietnamese people!

People and soldiers of the nation, for the sake of the enterprise of building socialism and defending the homeland and of the well-being of the people, enthusiastically advance!

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